

Message Text

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12

ACTION XMB-04

INFO OCT-01 EA-06 ISO-00 EB-07 COME-00 AID-05 TRSE-00

RSC-01 /024 W

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P R 281001Z JAN 75

FM AMEMBASSY MANILA

TO SECSTATE WASHDC PRIORITY 178

INFO AMEMBASSY SEOUL

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PASS EXIM

SEOUL FOR CASEY

E.O. 11652: N/A

TAGS: EFIN, RP

SUBJECT: RESTRUCTURING OF MARINDUQUE NICKEL PROJECT FINANCING

1. JESUS CABARRUS, PRESIDENT OF MARINDUQUE MINING AND INDUSTRIAL CORPORATION, HAS CALLED ON AMBASSADOR TO SEEK ASSISTANCE IN CLARIFYING EXIM POSITION ON PROPOSED RESTRUCTURING OF FINANCING FOR MARINDUQUE'S NONOC ISLAND NICKEL PROJECT, WHICH CURRENTLY PRODUCING NICKEL ON SCHEDULE. ACCORDING TO CABARRUS, INCREASES IN FUEL AND MATERIALS COSTS HAVE REQUIRED DIVERSION OF FUNDS INTENDED FOR SCHEDULED 1975 DEBT AMORTIZATION. CABARRUS STATES RESTRUCTURING PROPOSAL HAS BEEN PRESENTED TO CREDITORS BY MARINDUQUE VICE PRESIDENT ROBINSON. PROPOSAL CALLS FOR RESTRUCTURING OF FOUR 1975 QUARTERLY PAYMENTS - FIRST OF WHICH FALLS DUE ON FEBRUARY 15. REPAYMENT WOULD OCCUR OVER THREE YEAR PERIOD FOLLOWING TWO YEAR GRACE PERIOD. RESTRUCTURED LOAN WOULD CONTINUE TO HAVE PHILIPPINE GOVERNMENT GUARANTEE. REQUEST TO EXIM IS FOR EXTENSION OF ITS GUARANTEE ON RESTRUCTURED FINANCING FROM COMMERCIAL BANKS TO WHICH COMMERCIAL BANKS HAVE ALREADY AGREED.

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2. CABARRUS INFORMED AMBASSADOR THAT HE HAD RECEIVED

PHONE CALL FROM ROBINSON REPORTING DIFFICULTY IN OBTAINING EXIM BOARD APPROVAL FOR EXTENSION OF ITS QUARANTEES. CABARRUS SAID ROBINSON HAD NOT BEEN ABLE TO PROVIDE HIM WITH EXPLANATION FOR INABILITY TO SECURE EXIM BOARD APPROVAL. CABARRUS OFFERED TAKE APPROPRIATE STEPS, INCLUDING TRAVEL TO U.S., TO MEET ANY REQUIREMENTS EXIM MIGHT HAVE FOR EXTENDING, ITS SUPPORT TO RESTRUCTURING PLAN.

3. EMBASSY WOULD APPRECIATE DEPARTMENT CONSULTING WITH EXIM REGARDING REPORTED MARINDUQUE DIFFICULTY IN OBTAINING APPROVAL FOR RESTRUCTURING PLAN AND FORWARDING TO EMBASSY APPROPRIATE ADVICE FOR EMBASSY TO PASS ON TO CABARRUS. PARTICULARLY DESIRE INFO ON ANY ADDITIONAL DATA WHICH EXIM WOULD LIKE CABARRUS TO PRESENT IN JUSTIFICATION OF HIS REQUEST.
SULLIVAN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NICKEL, BANK LOANS, INDUSTRIAL PLANTS, DEBT AGREEMENTS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 28 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: WorrelSW
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975MANILA01235
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750030-1101
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750115/aaaaamry.tel
Line Count: 78
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: WorrelSW
Review Comment: n/a
Review Content Flags:
Review Date: 16 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 JUL 2003 by ShawDG>; APPROVED <18 NOV 2003 by WorrelSW>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: RESTRUCTURING OF MARINDUQUE NICKEL PROJECT FINANCING
TAGS: EFIN, RP, MARINDUQUE MINING & IND CORP, XMB, (CABARRUS, JESUS)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006